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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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Revision of Part 22 and Part 90 of the Commission's Rules to Facilitate Future Development of Paging Systems))	WT Docket No. 96-18	OFFICE OF SECRETARY
Implementation of Section 309(j) of the Communications Act Competitive Bidding)))	PP Docket No. 93-253 DOCKET FILE COP	Y ORIGINAL

COMMENTS OF METAMORA TELEPHONE COMPANY, INC.

Metamora Telephone Company, Inc. ("Metamora"), by its attorneys and pursuant to Sections 1.415 and 1.419 of the Commission's Rules, hereby submits its comments on the interim licensing proposals advanced in the above-referenced proceeding. 11 Metamora has been a licensee in the Commission's Paging and Radiotelephone Service ("PARS") for nearly 25 years, and operates a 158.1 MHz network in Illinois which serves thousands of customers. Metamora, therefore, is an interested party in this proceeding. By its comments, Metamora urges the Commission to lift the current application freeze and allow incumbent paging licensees to file new applications which expand and modify their systems on a primary basis, pursuant to the existing rules.

I. INTERIM LICENSING PROPOSAL

The Commission's abrupt application freeze and proposal to relegate new operations to secondary status thwart the legitimate business plans of incumbent paging licensees and effectively

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In the Matter of Revision of Part 22 and Part 90 of the Commission's Rules to Facilitate Future Development of Paging Systems, Implementation of Section 309(i) of the Communications Act -- Competitive Bidding, Notice of Proposed Rulemaking, WT Docket No. 96-18, PP Docket No. 93-253, FCC 96-52, released February 9, 1996 [hereinafter "NPRM"].

stunt any further growth in the paging industry during the pendency of this proceeding. Prior to the adoption of the NPRM, Metamora had entered into a contract to acquire certain facilities licensed to the Central Telephone Co. of Illinois ("Central Telephone"). Metamora had intended to expand its existing 158.1 MHz system to reach the area encompassed by Central Telephone's system to create a seamless regional network. Although the assignment process will not be affected by the NPRM, the proposed interim rules seriously jeopardize Metamora's planned expansion. Metamora, and other small paging operators, simply cannot afford to invest in facilities if that investment can be rendered worthless by relegation to secondary status. Metamora now has a legal obligation to purchase the Central Telephone system, but the Commission will frustrate Metamora's ultimate purpose for acquiring that system if Metamora is not permitted to expand its system on a primary basis, pursuant to the existing rules and to Metamora's legitimate business expectations.

II. CONCLUSION

Metamora respectfully requests the Commission to lift the current application freeze. As stated in the NPRM, paging is a mature industry and incumbent licensees need the ability increase and enhance their coverage, especially in light of growing competition in the CMRS marketplace. Moreover, incumbent licensees have developed business plans to acquire new networks or to build-out new areas which are based on the existing rules. Metamora has taken significant steps in furtherance of its business plan to expand its 158.1 MHz network and it stands to be greatly harmed if new applications are only afforded secondary authorization. Consequently, new applications

See <u>Public Notice</u>, Report No. LB-96-12, released January 26, 1996, at 5.

should be processed under the existing rules in order to fulfill the legitimate business expectations of incumbent paging licensees.

Respectfully Submitted,

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